

**Minutes of a Special Session of the Common Council of the Town of
Clarkdale**

Held on Tuesday, July 23, 2019 at 3:00 P.M.

A Special Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, July 23, 2019, at 3:00 P.M. in the Clark Memorial Clubhouse, Men's Lounge, 19 N. Ninth Street, Clarkdale, Arizona.

CALL TO ORDER – Meeting was called to order at 3:00 P.M. by Mayor Von Gausig.

Town Council:

Mayor Doug Von Gausig
Vice Mayor Richard Dehnert
Councilmember Scott Buckley

Councilmember Bill Regner
Councilmember Debbie Hunseder

Town Staff:

Town Manager Tracie Hlavinka
Community Development/Economic Director Jodie Filardo
Finance Manager Kathy Cwiok
Court Supervisor Brenda Schorr
Public Works/Utilities Director Maher Hazine
Sergeant Troy Smith

PUBLIC COMMENT – The Town Council invites the public to provide comments at this time. Members of the Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. §38-431.01(G), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date. Persons interested in making a comment on a specific agenda item are asked to complete a brief form and submit it to the Town Clerk during the meeting. Each speaker is asked to limit their comments to five minutes.

There was no public comment.

CONSENT AGENDA - The consent agenda portion of the agenda is a means of expediting routine matters that must be acted on by the Council. All items are approved with one motion. Any items may be removed for discussion at the request of any Council Member.

- A. **Reports** - Approval of written Reports from Town Departments and Other Agencies
 - Building Permit Report – June, 2019
 - Capital Improvements Report – June, 2019
 - Magistrate Court Report – None
 - Water and Wastewater Report – June, 2019
 - Police Department Report – June, 2019
 - CAT/LYNX Transit Report – June, 2019 and End of FY 2019
 - Verde Valley Humane Society Report - None
- B. **Amendment to Intergovernmental Agreement (IGA) between the Town of**

Clarkdale and the Arizona Board of Regents on behalf of Arizona State University (ASU) – Approval of the Town's acceptance of Title IX language amending this Agreement.

- C. Intergovernmental Agreement between the Town of Clarkdale and the Yavapai County Flood Control District – Approval of the IGA for FY 2019-2020 in an amount not to exceed \$50,000 between the Town of Clarkdale and Yavapai County Flood Control.**

Action: Approve Consent Agenda items A – C as presented.

Motion: Councilmember Regner

Second: Councilmember Buckley

Vote:

Voting Member	Aye/Nay
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Aye
Council Member Debbie Hunseder	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

NEW BUSINESS

PRESENTATION TO BILL BOLER, VERDE VALLEY FIRE DEPARTMENT –
Commendation and presentation to Bill Boler, Verde Valley Fire Department for Automated External Defibrillators (AEDs).

On behalf of the Clarkdale Police Department, Sergeant Troy Smith recognized EMS Coordinator Bill Boler for his efforts in procuring AEDs for the Clarkdale Police Department. A copy of the letter to Verde Valley Fire District Chief Joe Moore and a copy of the certificate of appreciation are attached to the Staff Report.

Action: Presentation only.

PROCLAMATION SUPPORTING MENTAL HEALTH TRAINING – A proclamation supporting mental health training for sworn police officers.

The One Mind Pledge is a public awareness campaign supported by all Yavapai County law enforcement agencies. Participating agencies pledge to create a policy addressing police response to persons affected by mental illness, establish a partnership with a community mental health organization, train 100 percent of sworn police officers in mental health first aid, and train 20 percent of sworn police officers in crisis intervention training.

Vice Mayor Dehnert introduced information on this proclamation to Council.

Action: Approve the One Mind Pledge Proclamation.

Motion: Vice Mayor Dehnert

Second: Councilmember Hunseder

Vote:

Voting Member	Aye/Nay
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Aye
Council Member Debbie Hunseder	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

WORK SESSION REGARDING THE APS SUBSTATION – A work session to discuss the rezoning and conditional use permit application for the APS substation.

Arizona Public Service (APS) is requesting a zone change and conditional use permit to install an electric power substation at 1591 SR 89A. The subject parcel is approximately 2.29 acres and owned by APS.

Substations are part of the electrical distribution system. A typical substation receives high voltage electricity from a power plant through transmission lines. This is converted to low voltage levels through transformer equipment and distributed to the consumer.

SR 89A is a state highway under the jurisdiction of the Arizona Department of Transportation (ADOT). It is the only connection from the Verde Valley into Jerome.

Zoning Designation

The subject parcel is currently zoned R1-Single Family Residential. Electric substations are not a permitted use in this zoning district. When staff originally met with APS regarding this project, APS was misinformed that electric substations are a permitted use in this zoning district but would need to receive site plan and design approval from the Design Review Board.

However, substations are specifically excluded in the R1 zoning district. APS was immediately notified when this error was uncovered. Due to the fact the Design Review Board meeting was already posted, this meeting went ahead as scheduled.

Substations are not listed as a permitted use in any of the Town's zoning districts. A public utility is listed as a conditional use in the C-Commercial Zoning District. (§3-10.C.9 Town of Clarkdale Zoning Code)

The current parcel is zoned R1-Single Family Residential. The R1 zoning would allow approximately nine new single family homes to be constructed on this site.

The subject parcel was divided from APN 406-27-053C. The subdivided parcel was subsequently sold to APS.

The remaining 11.19 acre parcel is also zoned R1. Under current zoning, this parcel could be subdivided into lots for approximately 48 new, single-family homes.

Design Review/Site Plan Review

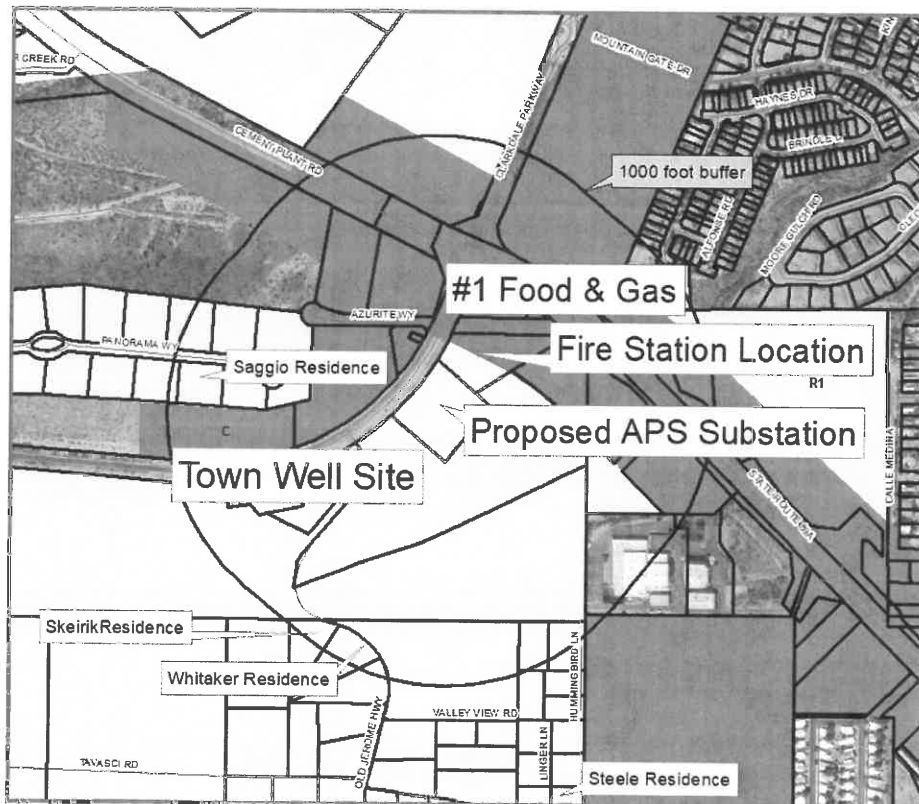
On May 1st, the Clarkdale Design Review Board reviewed a site plan/design review application for the proposed APS substation. At this meeting, the Board tabled action on this application until after the Zone Change and Conditional Use Permit application was reviewed by Town Council. Should the Zone Change and Conditional Use Permit not be approved by Council, the site plan/design review application will be withdrawn.

Public Participation

One public hearing with the Design Review Board and two public hearings with the Planning Commission have been held regarding this request. This application has received extensive public comment. All comments received are included as an addendum to this staff report.

Zone Change – Conditional Use Permit request

APS is requesting a zone change to Commercial and a Conditional Use Permit to allow for installation of the substation as part of their public utility infrastructure.

**Community Impact:**

The project narrative for the substation states the project will serve to meet the future needs of the community and improve reliability and continuity of services to the surrounding area. It will work in conjunction with the existing substations in Cottonwood and Cornville. A new substation in Clarkdale will provide redundancy for the existing system and the ability to address growth in the area.

Once the landscaping is established, water use at the facility will be negligible.

After construction is complete, vehicle traffic to the site will also be minimal.

If the application is approved by Town Council, the building permit will be reviewed for safety and hazard mitigation by both the Town of Clarkdale Building Official and the Verde Valley Fire District Fire Marshal.

A major concern expressed by the public is the visual impact of the substation located along the entry corridor to Clarkdale. APS hosted a community meeting on Tuesday, July 16th to garner input regarding the design aesthetics of the project. A summary of this discussion will be presented to Council by APS.

Final details regarding design and site plan will need to receive approval from the Design Review Board.

Review Agencies

The Zone Change and CUP application was sent to the following agencies for review:

Yavapai County Flood Control District	No concerns
Clarkdale Public Works Utilities Department	No concerns
Verde Valley Fire District	No concerns
Clarkdale Police Department	No concerns
Clarkdale Building Official	No concerns

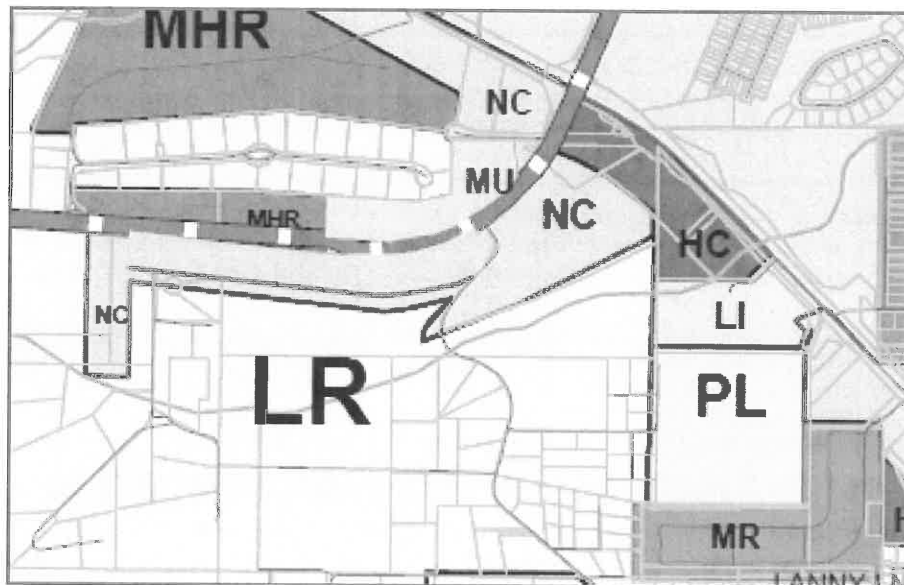
ADOT commented during the design review/site plan review process they would prefer a joint access be developed for both the fire station and the proposed substation. Both Verde Valley Fire District and APS have agreed to a joint access and during the May 1st DRB meeting the APS representative stated they will be designing and constructing a joint access.

ZONE CHANGE REQUEST

Per Section 13-020.F of the Town Zoning Code, an application for an amendment to current zoning must conform with the following considerations:

1. The amendment conforms to the Clarkdale General Plan, specifically the Land Use Element.

The General Plan designates this property as NC (Neighborhood Commercial). This classification is intended for commercial retail and service businesses.



The General Plan emphasizes the need for infrastructure, such as reliable electric services as follows:

- Provide adequate infrastructure for a growing community. (pg. 15)
- The south side of SR 89A is one of five growth areas. (pg. 99)
- Promote infrastructure is an objective of the growth area. (pg. 100)
- Lack of infrastructure is an impediment to growth. (pg. 99)

The General Plan for the Town of Clarkdale provides that the area where the electrical substation is proposed includes all of the uses listed in the Neighborhood Commercial Zoning District. These Neighborhood Commercial uses all require reliable electrical power, not subject to blackouts or brownouts.

Since this site is under 100 acres, a minor general plan amendment is not required to rezone the property.

2. The amendment refers to the Focus Area Plan, if applicable.

The subject property is not within the boundaries of a Focus Area plan.

3. The proposed development provides buffering to adjacent land uses.

With the proposed construction of the new fire station to the east, the proposed substation will be abutting a commercial use.

The property surrounding the proposed location is zoned for single family residential. There will be an approximately 40 foot buffer of natural vegetation left between the structure walls of the proposed substation and the adjacent property lines.

4. The proposed development mitigates traffic impact.

After construction of the proposed substation is completed, traffic to this site will be minimal.

Based on average traffic estimates for single family residences, the nine homes that could be built on this parcel would generate an additional 90 daily trips onto SR 89A.

5. The proposed development mitigates noise impact to surrounding properties.

Once operational, the proposed substation should have minimal noise generation. As a commercial use, the substation would be subject to the Town Code and Zoning Code requirements regarding noise mitigation.

6. The proposed development will conform to all existing zoning regulations.

Through conditions of approval and building permit requirements, the proposed substation shall conform to all existing zoning regulations.

7. The proposal provides community benefits such as:

- a. Pedestrian connections – There is a popular social trail along the south side of this section of SR 89A that provides pedestrian access from residents in the foothills area to the #1 Food Store and Gas Station. Staff is asking that this social trail be preserved.
- b. Vehicular connections – By agreeing to design and construct a shared access with the fire station, APS has reduced the access impact to SR 89A.
- c. Improvement to public right-of-way – Not applicable

- d. Installation of utility infrastructure – An electric substation qualifies as critical utility infrastructure
 - e. Improvement of public space – Not applicable.
 - f. Protection of open spaces – the proposed 40-foot buffer around the substation structure will preserve approximately one-acre of open space.
8. Funding and installation of all required improvements as specified by the Town shall be the responsibility of the applicant.

No costs will be incurred by the Town in relation to this proposal.

Conditional Use Permit

Per Section 5-6 of the Zoning Code, all Conditional Use Permits shall meet minimum requirements of all Town ordinances, restrictions, regulations and policies of the Town of Clarkdale: Compliance with same is a condition of the use permit, including but not limited to:

- **Consistency with the General Plan**

In Chapter 2 of the 2012 Clarkdale General Plan, the State Route 89A Corridor is listed as a planning sub-area. This includes the section of SR 89A between Clarkdale and Cottonwood as well as the highway section between Jerome and Clarkdale. The plan states:

- The 2002 General Plan anticipates this corridor will become increasingly more attractive for commercial development as similar properties with arterial frontage in the adjacent jurisdictions become filled.¹
- Chapter 9-Growth Area of the General Plan endorses well-planned, efficient, cost-effective design including the two following Growing Smarter tenets:
 - Ensure economical infrastructure expansion.
 - Coordinate public infrastructure expansion with private development activity.²
- Additionally, greater utility infrastructure supports the objectives of Chapter 12-Economic Development.

- **Sanitary waste improvements**

Per the applicant, porta potties will be on site during construction only. After the site is established, there will be no need for sanitary waste improvements. (The staging of porta potties was a concern expressed during the Design Review Board public hearing.)

- **Utility Service Improvements**

Additional electric line connections from the existing overhead 69 kV power poles will be constructed to connect to the proposed substation. Two new 69kV power poles are anticipated to be constructed.

- **Parking**

No specific parking requirements apply to an electrical substation. APS may occasionally store vehicles inside of the structure walls.

- **Screening of Commercial Uses (#13 of Performance Standards of Commercial Zoning)**

¹ 2012 General Plan, Chapter 2-Land Use, pg. 26

² 2012 General Plan, Chapter 9-Growth Area, pg/ 98

The proposed structure wall and landscaping will serve to screen the actual substation. The location of the substation equipment within the walls will be excavated ten feet below grade. The equipment will be approximately 14 feet in height which means only four feet will be higher than the existing grade.

The original design of the wall is being amended to address comments from the public at the Design Review Board meeting. The final design of the structure will require approval by the Design Review Board.

Required Findings for a Conditional Use Permit (Section 5-5 Town Zoning Code):

Town Regulations

Per Section 5-5 of the Town Zoning Code, the Planning Commission shall make findings on a conditional use permit application based on the following six elements:

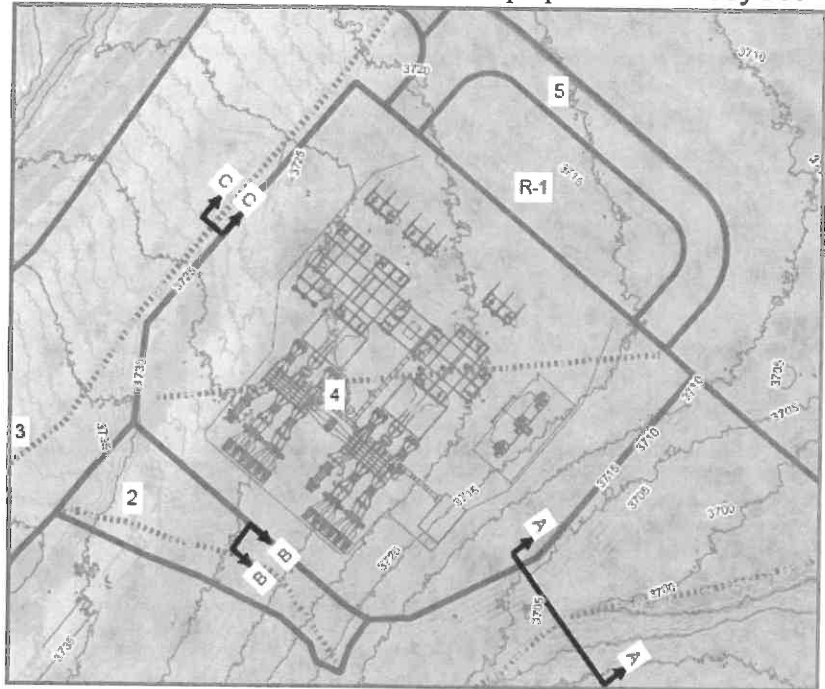
1. **Applicable Regulations:** Those conditions necessary to assure compatibility of the development of the land in question will be consistent with the purpose of the Zoning Ordinance, Town of Clarkdale General Plan, other statutes and any ordinance or policies that may be applicable.

Staff Comments – The existing residential zoning along a busy state highway may not reflect the best use of this property. The opposite side of the highway is zoned commercial. The adjacent parcel to the east has split zoning with R1- Single Family Residential and Commercial, however, the construction on this site of a new fire station for Verde Valley Fire will establish a commercial use on this property. The Town's well site is also situated along this portion of SR 89A, approximately 500 feet from the subject parcel, further embedding the commercial feel of this portion of the highway. In 1991, Town Council approved the rezoning of approximately 4.5 acres from residential to commercial to allow for the establishment of Arizona Botanical Gardens. The General Plan designation of this area as Neighborhood Commercial is a recognition that this property adjacent to a busy state highway may not be suitable for residential development.

Staff reached out to Yavapai County regarding the previous zoning on this property. We were able to clarify that the annexation of the area west of the Clarkdale Parkway roundabout took place sometime between 1957 and 1969. No previous zoning maps were located for this area. It is probable that during the annexation of this parcel the existing rural residential zoning in Yavapai County was transferred to the R1-Single family residential zoning of the Town.

Bulk Regulations: The site is adequate in size and topography to accommodate proposed use, population density, building height, lot coverage, setbacks, spaces, landscaping, fences and parking. That these elements are compatible with the general character of development in the vicinity of the proposed conditional use and are adequate to properly relate the proposed use with the existing land uses in the vicinity.

Staff Analysis – The 2.29 acre property is sufficient to accommodate the proposed 300 foot by 300 foot structure wall. An approximately 40-foot wide buffer is proposed from the structure wall to the property lines. The actual substation will be located within the structure walls, setback approximately 20 feet on all sides from the exterior wall. The construction site will be excavated and substation equipment will be placed subgrade to minimize the possibility of equipment topping over the perimeter wall.



2. **Performance:** That the location, design and operation characteristics of the proposed use are such that it will have minimal adverse impact on the livability, public health, safety, welfare, or convenience of persons residing or working in the vicinity, to adjacent property, to the neighborhood or to the public welfare in general in that the facility, once completed should not interfere with the day-to-day operations of the existing businesses.

Staff Analysis Public health and safety will be examined during the building permit phase. The applicant has stated that no batteries will be stored at this substation. The April 2019 substation fire in Surprise was the result of a battery explosion at a substation. Batteries will not be a component of the proposed Clarkdale substation.

The applicant provided a summary of potential impacts from electric magnetic frequency (EMF) generated by the substation. This information is attached to the staff report.

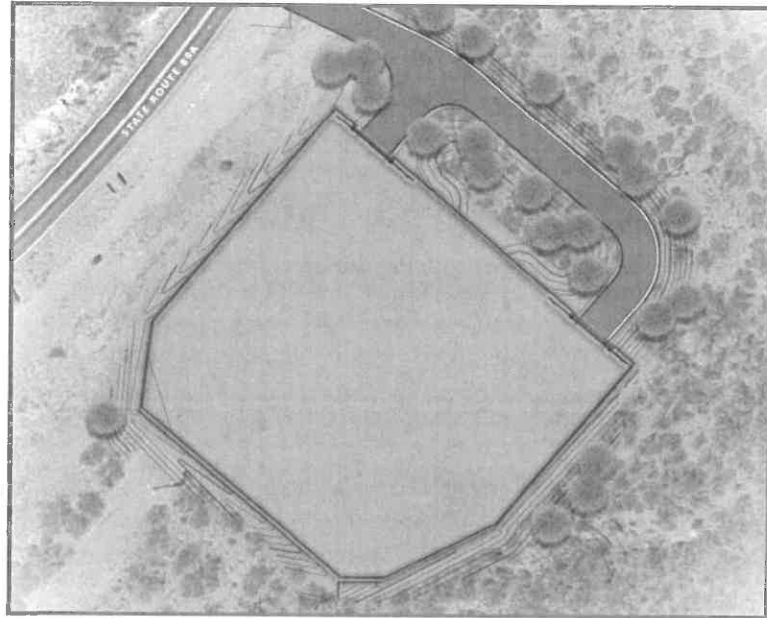
3. **Traffic Impacts:** The provisions for ingress and egress, public streets and traffic circulation are adequate, or can be upgraded through street improvements as a condition of approval.

Staff Analysis – Because of the minimal traffic generated from a substation post construction, ADOT is not requiring any access improvements along SR 89A for this project. Design of the shared driveway with the Verde Valley Fire District will be finalized during building permit review.

4. **Landscaping:** Landscaping, and/or fencing of the proposed development, assures that the site development will be compatible with adjoining area and with the intent of Town policies.

Staff Analysis – The proposed landscape plan conforms with the newly adopted Landscape Design Standards. There is an existing gas line that runs between the proposed structure wall and the ADOT right-of-way. Landscaping in this area will include strategically placed boulders.

Per the new code, all trees shall be a minimum of three feet in height at time of planting. APS has expressed a willingness to plant more mature vegetation to provide immediate screening. Landscaping will be around all four sides of the substation.



5. **Nuisance:** That the proposed use will not create a hazard to persons and property from possible explosion, contamination, fire or flood. That the use will not create a nuisance arising from, but not limited to noise, smoke, odors, dust, vibrations, signage or illumination.

Staff Analysis – APS has stated no hazardous or toxic materials will be stored or used on site. The site will be excavated down at least ten feet. The substation equipment will be placed on a non-porous foundation so no liquid will seep out of the project.

Per the project engineer, sound at the site should be minimal. A low hum might be audible at the site during peak electric use hours. Once construction is completed, activity at the site should be minimal. Identified violations of the noise regulations in the Town Code shall be immediately remediated.

Zone Change Implications

The proposed location of the APS substation is adjacent to a busy state highway. APS investigated other possible site locations, specifically commercially zoned property along SR 89A between Cottonwood and Clarkdale and along the Broadway Corridor. This subject property was selected specifically by APS due to the proximity of the existing overhead 69kV lines.

Approval of this zone change is not spot zoning. The general definition of 'spot zoning' is the changing of zoning for one parcel that is different from surrounding properties. The rezoning request for this APS substation does not meet this definition because it is adjacent to a property that will have a commercial use with the construction of the new fire station. It is also across the street from commercial zoning.

The SR 89A corridor between the Clarkdale Parkway roundabout and the Town of Jerome has not been targeted as a specific planning area by the Town, Yavapai County or Jerome. This is a heavily travelled corridor both by residents and visitors. This type of highway connection typically includes nodes of commercial to provide services to residents and those who travel along the way.

Site Plan & Design Approval

If the zone change/conditional use permit application receives approval, final review and approval of the site plan and design by the Design Review Board will be required. A second public hearing will be scheduled with the Design Review Board if this item receives zone change/conditional use approval.

Summary of Staff Analysis:

In staff's opinion, the zone change to Commercial is reasonable considering the location of the property adjacent to a state highway. Installation of utility infrastructure is specifically identified as a community benefit eligible for consideration of a zone change request as listed in Section 13-020.D of the Zoning Code. The proposed substation will provide more reliable service to current customers and the ability to serve future growth. With the recommended conditions, the application is in compliance with the required findings for a Conditional Use Permit.

Staff has determined the Conditional Use Permit application to be complete and in compliance with the required findings of Section 5-050 of the Town of Clarkdale Zoning Code. With the recommended Conditions of Approval, the proposal conforms with the required conditions for approval as outlined in Section 5-060. In staff's opinion this application is eligible for approval.

Recommended Conditions of Approval:

1. The Zone Change/Conditional Use Permit is void if a building permit is not issued within one year of approval of this Zone Change/Conditional Use Permit application.
2. The established social foot path parallel to SR 89A and within the ADOT right-of-way shall remain accessible to pedestrian traffic except during construction when it shall be rerouted as much as possible.
3. All porta potties shall be removed from the site once construction is completed.
4. All landscaping shall conform with the Landscape Design Standards effective May 10, 2019.
5. Access to the property shall be developed as agreed and in cooperation with the Town of Clarkdale, ADOT and the Verde Valley Fire District. This access shall be designed to be the minimum width necessary to serve projected traffic of both facilities.
6. The installation shall comply with the Town of Clarkdale Zoning Code 11-040 Section 19 regarding noise. Identified violations of the noise regulations in the Town Code shall be immediately remediated.
7. The Landscape Plan shall be modified to include at least fifty percent non-deciduous species to provide year-round screening of the structure wall. Landscaping will be installed along all four sides of the substation.

Planning Commission Action:

The Planning Commission conducted two public meetings related to this application. Prior to the June 18th meeting, the Commission received legal advice from the Town Attorney in Executive Session. After concluding the public hearing during their June 18th meeting, the Planning Commission unanimously recommended approval of the zone change/conditional use permit request stating that working infrastructure is required to be in harmony with the overall objectives of the 2002 General Plan.

Community/Economic Development Director Jodie Filardo presented information on this topic to Council and introduced APS representative in charge of Franchises and Technical Services, Kendra Lee, who

presented a Power Point on the substation application. Ryan Weed, also from APS, addressed engineering and design requirements.

Lee explained that a substation transforms electricity from one voltage to another. (From 69,000 volts and transfer to 12,000 volts to serve commercial and residential customers in our area.) This site was chosen because it was identified as a site that didn't require condemnation. Also based upon the customers in the Clarkdale area and the location of the existing transmission lines made the site optimum for APS. The height of the surrounding walls was increased from 10' to 12' to camouflage the equipment and make it more attractive. The property was purchased by APS and they were under the impression that the zoning was appropriate for what their needs were. She further discussed gas lines close to the proposed facility and stated APS received required clearances and there were no concerns of danger due to the gas lines. Further discussion involving visual aspects of the plant followed. Brandon Eckols, from APS, discussed line locations located in the Verde Valley substations.

Filardo explained that, at the current time, a conditional use permit could not be considered for an industrial zone. A code change would need to occur through the usual processes to provide for a substation in an industrial area.

Lee stated that there was no battery storage at the substations and are not being considered in the future. The best locations are being discussed but she clarified that there would be no danger regarding battery storage at this site. The alternative of not having a substation at this location was discussed and Lee indicated the enhanced electrical service provided to the area would be beneficial and reliable.

Mayor Von Gausig opened the item for public comment and the following people spoke:

Lynda Steele, Clarkdale resident, spoke about alternative locations and what the hardship is that prevents relocating the substation.

Carol Engert, Clarkdale resident, spoke about deals and contracts being made for the residents secretly and concerned with higher electric bills

-Mayor Von Gausig acknowledged that higher electric bills would occur, however he noted that the location for the substation was primarily chosen because the costs to the consumer should be less than other locations.

Kathryn Ingulli, Clarkdale resident, spoke about the lack of resident contact she felt occurred with APS. Also spoke about the property sold to APS was most likely known by the owner to be zoned residential when the transaction occurred. Was APS assured that a conditional use permit would be issued and rezoning promised when they purchased the property? She stated that the MLD (land division form) was signed by the Town in February, 2019 and the community did not learn about it for months so this caused resident concern. No one has proved a hardship. Is the Town in a position to be sued if the deal is denied? Asks the Council to deny the request for rezoning and ask APS to consider relocating.

-Mayor Von Gausig stated that the Town told APS prior to their purchase of the property that the substation could be built in that location, so it was the Town's error. APS relied on that information. He indicated that the process is still underway for the same amount of time. He stated that the Town Council can also make decisions based on not only hardships, but benefits to the citizens of the Town.

-Kendra Lee commented that hardship does not have to be proven for this site location. The only time that hardship would have to be proven would be if a condemnation lawsuit was initiated. Also regarding zoning, it is common across the State for the substations to be located in zoned residential areas.

Denise Heath, Clarkdale resident, asked if Ms. Lee would live close to a substation. She noted that there were resident concerns about property values. Feels that APS should take another look at the old station on Sycamore Canyon.

-Ms. Lee stated that she lives close to a 165' transmission line and lives in close proximity to a substation. She said that she would purchase property next to a substation.

-Ms. Filardo noted that her department had done a study on property values in Cornville of properties close to the substation in comparison with those farther away and the results showed the same appreciation rates.

Mark Pepper, Clarkdale resident, spoke about whether the need for a substation had been established. Are there power outages? Asked questions about the loop feed and who benefits.

Janice Benatz, Clarkdale resident, stated she was born and raised in Clarkdale and her father spent 43 years serving as a district service man for APS. She has lived in her home across from the park for 38 years and experiences serious power outages.

Action: This is a discussion item only. Staff is asking for Council direction regarding any additional information that may be requested be presented at the August 13, 2019 public hearing.

INTERGOVERNMENTAL AGREEMENT (IGA) BETWEEN CLARKDALE MAGISTRATE COURT AND YAVAPAI COUNTY SUPERIOR COURT FOR INTERPRETER SERVICES – Discussion and possible action regarding an IGA between the Clarkdale Magistrate Court and Yavapai County Superior Court for the provision of interpreter services.

All Arizona courts must ensure that the rule of law protects the rights of all those who come before them in every type of case. We are obligated to respond to the language needs of non-English speaking litigants, witnesses, and victims. Each court must have a Language Access Plan that documents how the court will cover those needs. Interpreters for municipal level courts tend to be very limited in resources and very costly. Effective June 30, 2019, all who perform interpreting duties must become state credentialed at the minimum of a Tier 3 level.

The Superior Court contract will assist us in the following services:

- Becoming a part of the Superior Court's Language Access Plan
- Keeping interpreter costs at a minimum (half or less)
- Scheduling of needed interpreters
- Live (in-person) interpreters when needed
- Telephonic interpreter services
- Translation of court forms/documents
- Arizona Court Interpreter Credential compliance

Action: Approve the IGA between Superior Court of Arizona in Yavapai County and the Magistrate Court of Clarkdale, Arizona.

Motion: Councilmember Regner

Second: Vice Mayor Dehnert

Vote:

Voting Member	Aye/Nay
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Aye
Council Member Debbie Hunseder	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

PUBLIC HEARING REGARDING THE FISCAL YEAR 2019-2020 PRIMARY TAX LEVY AND FINAL BUDGET – A hearing to receive public input on the Town of Clarkdale's proposed primary tax levy, property tax collection, and the final budget for fiscal year 2019 - **2020**.

The public hearing is to allow the public a chance to speak in favor, or against the proposed budget and the Primary Tax Levy. The complete budget has been published in the newspaper and is available at the Town Hall for inspection. The only deadline for adoption of the final budget is triggered by the statutory adoption date of the third Monday in August of the property tax levy. The property tax levy must be adopted at the August 13th, 2019 Council meeting.

The Town had to notify the property taxpayers of its intention to raise the primary property taxes over the previous year's level in order to stay in compliance with Section 42-17107, Arizona Revised Statutes. The Property Tax Oversight Commission informed the Town of Clarkdale that they would need to hold a truth in taxation hearing if the Town intended to levy a tax rate greater than 1.5839. Truth in Taxation is a legislative practice to inform residents that their property taxes will increase due to either an increase to their property tax values or an increase in the property tax levy.

The current year net assessed real and personal property values for the Town of Clarkdale are \$35,157,286, up 6% from last year's value of \$33,049,963. The 2019-2020 adopted preliminary budget and proposed final budget includes a property tax levy of \$567,790 with a levy rate of 1.6150. Clarkdale is proposing an increase in primary property taxes of \$10,678.00 or 1.96%. The proposed tax increase will cause the primary property taxes on a \$100,000 home to increase \$3.11 for an annual total of \$161.50.

Year	Net Assessed Values	% Change from prior year	Tax Levy	Tax Rate
2017/2018	31,513,346	+8%	523,500	1.6612
2018-2019	33,049,963	+5%	543,838	1.6455

On May 28, 2019, Town Council adopted the preliminary budget for the Town of Clarkdale, which set the maximum limits the Town could spend for fiscal year 2019-2020. All cities and towns in Arizona are subject to some form of expenditure limitation (the amount they can spend in a fiscal year). The Town of Clarkdale has adopted an alternative expenditure limitation in the form of a permanent base adjustment. This option states that each year the Council will, after a public hearing, set the coming year's expenditure limitation (the fiscal year budget).

Our 2019-2020 preliminary adopted budget is \$18,218,082, which reflects a 16.79% decrease from the 2018-2019 adopted budget of \$21,892,957.

The final budget of \$18,218,082 on the Summary of Estimated Revenues and Expenditures/Expenses includes the expenditures for the following major funds:

<u>DEPARTMENT</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>%</u>
General Fund (Department Budgets & Donations)	\$ 4,804,657	\$ 5,239,938	+ 9.06%
Special Revenue Funds (Streets, Grants, Impact, Develop)	\$ 9,965,448	\$ 5,245,911	-47.36%
Capital Projects	\$ 853,818	\$ 873,524	+ 2.31%
Permanent Funds (Cemetery Perpetual Care Funds)	\$ 4,000	\$ 3,000	-25.00%
Enterprise Funds (Water, Sewer, Sanitation, Cemetery)	<u>\$ 6,265,033</u>	<u>\$ 6,855,709</u>	<u>+ 9.43%</u>
TOTAL ALL FUNDS	\$21,892,956	\$18,218,082	-16.79%

There have been no changes in the Final Budget from the Preliminary Budget.

Finance Manager Kathy Cwiok presented information on this agenda item.

Mayor Von Gausig opened the discussion to public comment. No comment was given and the Mayor closed the public comment opportunity.

Action: This is a Public Hearing only and no action is required.

RESOLUTION OF THE COMMON COUNCIL OF THE TOWN OF CLARKDALE, ARIZONA, ACKNOWLEDGING THE PROPOSED PRIMARY TAX LEVY OF \$ 567,790 WHICH REFLECTS A TAX LEVY RATE OF \$1.6150 FOR PROPERTY TAX COLLECTIONS IN THE 2019-2020 FISCAL YEAR BUDGET FOR THE TOWN OF CLARKDALE – Discussion and possible action regarding Resolution # 1606, a Resolution acknowledging the proposed primary tax levy of \$ 567,790, which reflects a tax rate of \$ 1.6150 for 2019-2020 property tax collections.

The Town had to notify the property taxpayers of its intention to raise the primary property taxes over the previous year's level in order to stay in compliance with Section 42-17107, Arizona Revised Statutes. The Property Tax Oversight Commission informed the Town of Clarkdale that they would need to hold a truth in taxation hearing if the Town intended to levy a tax rate greater than 1.5839. Truth in Taxation is a legislative practice to inform residents that their property taxes will increase due to either an increase to their property tax values or an increase in the property tax levy.

The current year net assessed real and personal property values for the Town of Clarkdale are \$35,157,286, up 6% from last year's value of \$33,049,963. The 2019-2020 adopted preliminary budget and proposed final budget includes a property tax levy of \$567,790 with a levy rate of 1.6150. Clarkdale is proposing an increase in primary property taxes of \$10,678.00 or 1.96%.

The proposed tax increase will cause the primary property taxes on a \$100,000 home to increase \$3.11 for an annual total of \$161.50.

Year	Net Assessed Values	% Change	Tax Levy	Tax Rate
2017/2018	31,513,346	+8%	523,500	1.6612
2018-2019	33,049,963	+5%	543,838	1.6455

Finance Manager Kathy Cwiok presented this item for Council. She acknowledged that the levy is actually a decrease from the last budget due to the increased property values and resulting additional revenue.

This vote by Council will be taken by roll call.

Action: Approve Resolution #1606, a Resolution acknowledging the proposed primary tax levy of \$567,790 which reflects a tax levy rate of \$1.6150 for 2019-2020 property tax collections in the 2019-2020 fiscal year budget for the Town of Clarkdale.

Motion: Vice Mayor Dehnert

Second: Councilmember Regner

Vote:

Voting Member	Aye/Nay
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Aye
Council Member Debbie Hunseder	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

RESOLUTION FOR THE ADOPTION OF THE FINAL BUDGET FOR FISCAL YEAR 2019-2020 – Discussion and consideration of Resolution # 1607 a Resolution adopting the FY 2019-2020 Budget per A.R.S. § 42-17105 (A) to consider, finally determine and adopt estimates of the proposed expenditures for the purposes stated in the published budget of the Town.

On May 28 2019, Town Council adopted the preliminary budget for the Town of Clarkdale which set the maximum limits the Town could spend for fiscal year 2019-2020. All cities and towns in Arizona are subject to some form of expenditure limitation (the amount they can spend in a fiscal year). The Town of Clarkdale has adopted an alternative expenditure limitation in the form of a permanent base adjustment. This option states that each year the Council will, after a public hearing, set the coming year's expenditure limitation (the fiscal year budget).

Our 2019-2020 preliminary adopted budget is \$18,218,082, which reflects a 16.79% decrease from the 2018-2019 adopted budget of \$21,892,957.

The final budget of \$18,218,082, on the Summary of Estimated Revenues and Expenditures/Expenses includes the expenditures for the following major funds:

DEPARTMENT	2018-2019	2019-2020	%
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General Fund (Department Budgets & Donations)	\$ 4,804,657	\$ 5,239,938	+ 9.06%
Special Revenue Funds (Streets, Grants, Impact, Develop)	\$ 9,965,448	\$ 5,245,911	-47.36%
Capital Projects	\$ 853,818	\$ 873,524	+ 2.31%
Permanent Funds (Cemetery Perpetual Care Funds)	\$ 4,000	\$ 3,000	-25.00%
Enterprise Funds (Water, Sewer, Sanitation, Cemetery)	<u>\$ 6,265,033</u>	<u>\$ 6,855,709</u>	<u>+ 9.43%</u>
TOTAL ALL FUNDS	\$21,892,956	\$18,218,082	-16.79%

There have been no changes in the Final Budget from the Preliminary Budget.

Finance Manager Kathy Cwiok presented information on this agenda item to Council. Cwiok provided the Council with the legal steps taken prior to this final approval recommendation. She acknowledged that the budget has decreased from last year. She noted that the bulk of the decrease occurred because it did not include the funds for Proposition 445 (street improvement bond) from the last budget.

Mayor Von Gausig noted the importance of budget sessions and encouraged audience members to attend. He stated the budget totals are 'aspirational' because monies can only be spent if they are included in the budget. Vice Mayor Dehnert noted that \$6,855,709 included in the total of all funds are enterprise funds, which are the costs of providing water and sewer to the public.

Action: Approve Resolution # 1607 a Resolution for the Adoption of the Final Budget for Fiscal Year 2019-2020.

Motion: Councilmember Regner

Second: Councilmember Hunseder

Vote:

Voting Member	Aye/Nay
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Aye
Council Member Debbie Hunseder	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

FUTURE AGENDA ITEMS - Listing of items to be placed on a future council agenda.

ADJOURNMENT: Without objection Mayor Doug Von Gausig adjourned the meeting at 5:05 P.M.

APPROVED:


Doug Von Gausig, Mayor

ATTESTED/SUBMITTED:



Mary Ellen Dunn, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the Town Council of the Town of Clarkdale, Arizona held on the 23rd day of July, 2019. I further certify that meeting was duly called and held and that a quorum was present.

Dated this 13th day of August, 2019.

SEAL



Mary Ellen Dunn, Town Clerk